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Quote of the Month

"You have to learn the rules of the game. And then you have to play better than anyone else."

-Albert Einstein

CUTTING TIES WITH 4 FAMILIAR (AND LONGSTANDING) EXPENSES

You have probably heard that your cost of living during retirement may very well be close to, if not the same, as your cost of living for the past 25 to 30 years. Maybe so... but some of the following common expenses should drop off as you enter your Golden Years, giving you a little extra spending money in retirement.

1. Your house payment.

If you haven't paid off your house already, you're probably getting close to the end of your mortgage. Unless of course you took advantage of the "buyer's market" over the past few years. Even so, such a loan doesn't last forever, and refinancing for a quicker pay off is always a good option if you have room in your plan to do so.

2. Auto loans.

Much like your house payment, by now I'm sure your cars are paid for. If not consider paying that car off. Especially if your carrying a loan with a higher interest rate than what you may be earning on a bank CD or money market account. Or – pay a little extra each month so you can drive with a little more peace of mind, along with some extra cash down the road.

3. 401(k) contributions.

While you can contribute to your IRA after you've hit retirement age, most other contributions to 401(k) or other work-related retirement accounts will cease. For those over the age of 50 you can contribute up to \$22,000 this year into your 401k. This is a sizable investment that won't continue into retirement, but take advantage of the opportunity now while you still have a sizable earned income.

4. Life Insurance.

For those of you who are getting close to, or are already in retirement many of the traditional uses of life insurance may no longer apply. I.e. Mortgage protection (if your home is paid for) College expenses (if the kids are already through school), and Income protection (If you are no longer earning a paycheck). This is another expense that may be trimmed back in retirement, however be sure to talk with us first to make sure that it makes sense given your overall financial situation.

To read more on expenses that may go down in retirement click here [http:// financiallyfit.yahoo.com/ finance/ article-109474-5132-5-7-expenses-you-can-ditch-in-retirement?ywaad=ad0035](http://financiallyfit.yahoo.com/finance/article-109474-5132-5-7-expenses-you-can-ditch-in-retirement?ywaad=ad0035).

DON'T GET BURNED BY NEW BANK FEES

With the new restrictions placed on the fees and interest rates banks can charge consumers, many banks are charging new fees for once-free services to make up that revenue. Check out five of these new fees – and ways to avoid them in the information below.

Redeeming Awards

You've got a swanky credit card that earns points towards travel or gift cards or merchandise. It used to be that each point translated directly into a dollar amount which you then used to "pay" for the value of your chosen reward. Many banks are now charging a fee to redeem rewards points which you must also have enough points to cover. There's no good way out this fee, so ask if this fee now applies for you.

Printed Statements and Copies of Checks

In the digital age, printed documents come at a premium. While good for the environment, it may be bad for you should you require an actual paper copy of a statement or check. Most banks do provide e-statements at no additional cost, and some of the premiere accounts may allow up to two check copies. Check to see what services are standard with your type of account. If you need these kinds of documents frequently, it may pay to upgrade your account.

Incoming Wire Transfers

A fee to receive money used to be unheard of, not anymore. Large banks are now charging a fee to receive wire transfers. If you are a frequent recipient, check with your bank to see how you can eliminate this fee. It may be reduced or eliminated by upgrading your account.

Replacement Cards

Many banks are now charging to replace a lost or stolen card. While this is more standard for a debit card than a credit card, credit card replacements may now incur a postage fee. If you've been a long-time customer you may be able to talk the bank into waiving this fee the first time.

Updating Your Address

If your contact with the bank has become entirely ATM and web-based, something like updating your address may slip your mind. Don't let it. Many banks are now charging a fee to correct your address when they receive returned mail.

If any of the fees above surprised you, what would you think about a separate fee for ...

Speaking to a Teller

New e-accounts offer the lowest costs for the consumer, but a big drawback for some accounts is that e-patrons are now charged for visiting a branch in person or speaking to a teller to complete a transaction.

Remember, it's always a good idea to shop around for a bank that suits your needs and minimizes your fees. Keep in mind that maintaining a certain balance or having a mortgage with a large bank may qualify you for a premium account with more included services, but you must continue to meet the qualifications to avoid fees. Many local and regional banks and credit unions have not yet adopted all these new fees, and are good places to look for an account that is best for you.

Citations.

[http:// money.cnn.com/ galleries/2011/ pf/1106/ gallery.annoying_fees/ index.html](http://money.cnn.com/galleries/2011/pf/1106/gallery.annoying_fees/index.html)
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Q&A

Should you have any questions concerning anything in this month's installment or to learn about upcoming events please contact our office.